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ORD-1275-70

5 March 1970

MEMORANDUM FOR: Director of Research and Development

SUBJECT : TSD Withdraws Support on [] Proposal

REFERENCES : a) Memorandum to D/ORD from C/TSD/D&E
Dated 13 January 1970 Regarding the
ORD/TSD []b) Memorandum for C/TSD/D&E Dated
6 February 1970 Regarding Current
Status of ORD/TSD Support Fundsc) Memorandum to DD/ORD from C/TSD/D&E
Dated 24 February 1970 Regarding the
[] Problem

1. Reference C withdraws support for []
proposal for the development, test, and evaluation of []
[] It points out that TSD prefers
to receive a test model from AP/ORD after which they will
assume control of all further work on these devices []
[]

2. This is a quite surprising development in view of
the fact that some months past (perhaps six) TSD proposed that
AP/ORD not fund this program from external sources; instead,
TSD would prefer a comprehensive proposal from the contractor'
which TSD and ORD would jointly submit through channels to the
Director for supplemental funding. It had been understood
that ORD would be responsible for the technical management and
supervision of the contract with TSD participation. As a
result, [] was requested to prepare the proposal which
was submitted to TSD for consideration. A joint memorandum
was prepared for submission to the DDP. Then came Reference C.
TSD should realize that one does not request a proposal,
particularly one so elaborate as this, without a serious intent

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to proceed. Since [] was requested to prepare this proposal, legally they could request reimbursement for proposal expenses, perhaps somewhere between []

3. A further concern is that TSD proposes to assume funding and technical responsibilities for this program which still requires some research and development; and this, according to the memorandum, applies also to further work on sources compatible with []

4. There appears to be a trend, based on other recent experiences, for TSD to move into technical projects and into contractor facilities which AP/ORD has developed with considerable effort and over considerable period of time. This occurred at [] where TSD has moved in to do not only hardware development and engineering, but research and development as well. Although we discussed and attempted to negotiate an equitable arrangement with TSD, they proceeded nevertheless to take over our assets with that company. On 24 February 1970 [] came in with a representative from [] to discuss means by which [] might be made available to the TSD [] hardware development people, and a mechanism by which TSD and their [] people could place requirements on the AP/ORD [] products division asset. TSD was interested in acquiring not only new research components, but also [] by which they are produced. This certainly becomes very fundamental R&D.

5. In summary it becomes apparent that TSD is not interested in placing R&D requirements on ORD whenever there is the possibility of our turning our R&D assets over to them. This has happened in the past on a number of occasions. There now appears to be a continuous trend in this direction.

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